



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	HB0290	Title:	Increase sales amount requiring produce license for farmer's market vendors
Primary Sponsor:	Ginde, Wanda	Status:	As Amended in House Committee

- | | | |
|-----------------------------------------------------------|------------------------------------------------------------------|----------------------------------------------------------|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
State Special Revenue	\$0	\$0	\$0	\$0
Revenue:				
State Special Revenue	(\$3,057)	(\$3,057)	(\$3,057)	(\$3,057)
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact:

Produce dealers who first distribute produce in Montana or a grower who retails Montana-grown produce with gross annual sales under \$25,000 will not be required to pay the produce assessment fee in 80-3-314, MCA, for each produce unit. The produce dealer license required in 80-3-321, MCA, will not be required for a person who retails produce grown by that person in Montana if annual gross produce sales do not exceed \$25,000.

FISCAL ANALYSIS

Assumptions:

1. Produce assessment reports for FY 2008 show that 18 licensed dealers reported less than \$25,000 in gross annual retail sales. Of these 18 dealers, six were out of state and would still be required to be licensed and continue to pay the assessment fee.
2. The assessments paid by the remaining 12 dealers totaled \$2,457. These assessment fees would no longer be collected.
3. These same 12 Montana dealers will no longer pay the \$50 license fee, reducing produce license fees collected by the department by \$600 annually (12 x \$50 = \$600).
4. Revenue collected by the department would be reduced by \$3,057 (\$2,457 assessments + \$600 in license fees = \$3,057) annually.

5. Expenditures will not be reduced by this bill. Existing inspectors will continue to conduct market inspections to ensure quality and condition of produce received in Montana and routine inspections to ensure compliance with the Montana Produce Act and administrative rules.

	<u>FY 2010</u> <u>Difference</u>	<u>FY 2011</u> <u>Difference</u>	<u>FY 2012</u> <u>Difference</u>	<u>FY 2013</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Revenues:</u>				
State Special Revenue (02)	(\$3,057)	(\$3,057)	(\$3,057)	(\$3,057)
TOTAL Revenues	(\$3,057)	(\$3,057)	(\$3,057)	(\$3,057)
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
State Special Revenue (02)	(\$3,057)	(\$3,057)	(\$3,057)	(\$3,057)

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date